Check Type of Return
Quarterly
Monthly \*Call (317) 233-4015 or by e-mail at: www.in.gov/dor/contactus/email.html Quarterly Monthly Tax Computation Interest (call the Department\*) Total purchases subject to tax (add Lines 2 and 3 )....... Penalty (10% of Line 2) For Departmental Use Only and ending (month/year) if paid after due date.. (from reverse side).. Tax Return (6% of Line 1)...... Total amount due Indiana Department of Revenue Use Tax Use  $\alpha$  $\tilde{\omega}$ I declare under the penalties of perjury that to the best of my knowledge and belief, this is a true, correct, and complete return. Consumer's Social Security Number Number Period beginning (month/year) City or Post Office, County, State, and Zip Code Signature & Title if other than individual return Indiana TID # Federal ID # Principal Business Activity Form ST-115 Street Address (circle one) Name

## Where can you get help?

You may call any of the following offices if you have questions or wish additional information about use tax. These offices are open Monday through Friday from 8:15 a.m. to 4:45 p.m.

Bloomington District Office (812) 339-1119

Clarksville District Office (812) 282-7729

Columbus District Office (812) 376-3049

Evansville District Office (812) 479-9261

Fort Wayne District Office (260) 456-3476

Indianapolis Office (317) 233-4015

Kokomo District Office (765) 457-0525

Mail with payment to: Indiana Department of Revenue, 100 N. Senate Ave, Indianapolis, IN 46204

Lafayette District Office (765) 448-6626

Merrillville District Office (219) 769-4267

Muncie District Office (765) 289-6196

South Bend District Office (574) 291-8270

Terre Haute District Office (812) 235-6046

Indiana Department of Revenue 100 N. Senate Avenue Indianapolis, IN 46204 (317) 233-4015 TDD: (317) 232-4952

You may e-mail the Department at: www.in.gov/dor/contactus/email.html

## **Indiana Use Tax**



What is it?

Whom does it affect?

When should it be paid?

If you purchased merchandise out-of-state without having to pay sales tax and you thought it was too good to be true, chances are you're correct. You may owe "use tax." Use tax is owed when you purchase something by mail order, Internet, through radio or television advertising, or directly from an out-of-state company where sales tax was not collected. You owe use tax on any item purchased outside Indiana if **both** the following apply: (1) at least 6% sales tax was **not** paid at the time of purchase, and (2) the item purchased is to be used in Indiana. If both occur, you are required to pay the use tax on your annual Indiana Individual Income Tax Return, the ST-103 Sales & Use Tax Return or you may pay on Form ST-115.

Magazine subscriptions, Internet purchases, book clubs, cassette/CD/video clubs, home shopping companies and mail order catalogs are some common examples of out-of-state purchases that may not have been taxed. Review back invoices to see if the tax was added in; if it was not, you owe the state Use Tax. Use the ST-115, Consumer's Use Tax Return, provided in this brochure to pay at this time. In the future you will want to pay the use tax on your annual Indiana Individual Income Tax Return.

**Brochure #4** 

Revised November 2002

Out-of-state purchases of automobiles, watercraft, aircraft and trailers by Indiana residents to be titled, licensed or registered in Indiana, are subject to use tax. The tax is based on the taxable selling price as indicated by a receipt or other proof of purchase, and must be paid to the agency when you apply for a title or to register a vehicle. In the event you do not have proof of the purchase price, the titling agency will figure the use tax due based on an average selling price for that vehicle from a buying guide to be chosen by the titling agency. **Note:** This is **not** paid on the IT-40, IT-40EZ, IT-40PNR or the ST-115.

In some instances the companies you order goods from may add their home state's sales tax if you took delivery in their state. If you pay another state's sales tax of 6% or greater, you do not owe Indiana use tax. However, if purchases are made in another state whose sales tax is less than 6% you must pay Indiana the difference to make the total sales/use tax equal to 6%.

Use tax may be paid yearly (on or before April 15) using Form IT-40, IT-40EZ or Form IT-40PNR. Use tax can also be paid on your ST-103 form when filed monthly, quarterly, etc. If you owe use tax and fail to pay the correct amount, the Department can add 10% penalty on the amount owed plus interest.

In general, a 6% use tax rate is owed on purchases made outside of Indiana and brought into Indiana for use, storage, or consumption, when sales tax was not paid to the other state at the time of purchase.

## Commonly Asked Questions on Use Tax

- **Q.** If I buy a set of china in another state and have the store send it to my address in Indiana, would I have to pay tax on it?
- A. If you did not pay any sales tax to the store at the time of purchase, you would owe Indiana use tax at a rate of 6% on the purchase price.
- **Q.** For the holidays I order from many different mail order catalogs and over the Internet. Do I owe use tax on all these items?
- A. You will owe use tax on those items from companies who did not charge a 6% or greater sales tax; check your invoices.
- **Q.** Last year on vacation we did a great deal of shopping and brought back many souvenirs. On some of the things we weren't charged sales tax; it's now a year later, what do we do?
- A. Check your invoices or sales receipts to see what items you were not charged 6% (or greater) for sales tax. Total those purchases and fill out Form ST-115. Include a check with the form and mail to: Indiana Department of Revenue, 100 N. Senate Ave., Indianapolis, IN 46204. In the future use Form IT-40, Form IT-40EZ, or Form IT-40PNR to pay your use tax.
- Q. What will happen if I don't pay the use tax?
- A. Data provided by other states and the Department's own auditors routinely lead to use tax billings. If you do not voluntarily comply by paying use tax, the Department can add 10% penalty to the amount owed plus interest.

